

AMERICAN KENNEL CLUB
Delegates Meeting
March 8, 2016

Dennis B. Sprung, President in the Chair, called the meeting to order at 9:05 a.m.

The Chair introduced the persons seated on the dais: Chairman, Ron Menaker; Vice Chairman, Carl Ashby; Professional Registered Parliamentarian, Doris Abbate; Jim Crowley, Executive Secretary; and Todd DeSimone, the Court Reporter.

The Executive Secretary read the report of the Nominating Committee as follows:
Pursuant to Article VIII of the Bylaws of the American Kennel Club, the Nominating Committee, Johnny Shoemaker, Chair, Redwood Empire Kennel Club; Mary Manning-Stolz, Tampa Bay Kennel Club; Mary Lou Olszewski, American Bloodhound Club; Larry Sorenson, Dachshund Club of America; Peggy Wampold, South Windsor Kennel Club, appointed by the Board of Directors at its July 2015 meeting, has nominated the following Delegates as candidates for such vacancies on the Board of Directors as are to be filled at the next annual meeting of the Club on March 8, 2016. There are three vacancies for the class of 2020.

Class of 2020: Linda Ayers-Turner-Knorr, Greenville Kennel Club; Gretchen Bernardi, Mississippi Valley Kennel Club; Tom Powers, Kennel Club of Beverly Hills.

Pursuant to Article VIII of the Charter and Bylaws of the American Kennel Club, the following Delegates have been endorsed in writing by the required number of Delegates as a candidate for the vacancies on the Board of Directors for the Class of 2020, to be filled at the next annual meeting of the Club on March 8, 2016:

Rita J. Biddle, Ingham County Kennel Club; Patricia M. Cruz, Heart of the Plains Kennel Club; William J. Feeney, Sir Francis Drake Kennel Club; Karolynne McAteer, Irish Setter Club of America.

(There was a brief recess and Delegates cast their ballots)

The Chair announced the passing of three Delegates:

Robert McKowen, Delegate for Mississippi Valley Retriever Club since March 8, 1999, died on December 15, 2015. Bob was AKC's Vice President of Performance Events from 1988 until he retired in 1999, and started AKC Agility.

Margaret Curtis, Delegate for the Greenwich Kennel Club since February 12, 2010, died on January 14, 2016.

Catherine Nelson, Delegate for the National Capital Kennel Club since December 13, 1993, died on February 13, 2016. Catherine was the AKC's 2004 Breeder of the Year.

The Executive Secretary read the names of Delegates seated since the last meeting:

Robert Amen, to represent Greater St. Louis Training Club

Martha-Lee Beckington, to represent Mount Vernon Dog Training Club

Noreen Bennett, to represent LEAP Agility Training Club of Central Massachusetts

Sandra Bingham-Porter, to represent American Maltese Association

Robin Burmeister, to represent Portuguese Water Dog Club of America

Cindy Cooke, to represent Kalamazoo Kennel Club

Ruth Crumb, to represent Magic Valley Kennel Club

Jan Dykema, to represent Bull Terrier Club of America

Bud Hidlay, to represent Kennesaw Kennel Club

Sheila Kenyon, to represent Old English Sheepdog Club of America

Dr. Dennis Levison, to represent Tuscon Kennel Club

Bruce Petersen, to represent Corn Belt Kennel Club
Daniel Petko, to represent Kennel Club of Niagara Falls
Kathleen Ronald, to represent Battle Creek Kennel Club
Ray Spivey III, to represent Chicago Bulldog Club
David Sullivan, to represent Briard Club of America
Robert Thomas, to represent Hatboro Dog Club.

The following Delegates, who were attending their first meeting since approval, were introduced from the floor:

Martha-Lee Beckington, to represent Mount Vernon Dog Training Club
Noreen Bennett, to represent LEAP Agility Training Club of Central Massachusetts
Sandra Bingham-Porter to represent American Maltese Association
Robin Burmeister, to represent Portuguese Water Dog Club of America
Jan Dykema, to represent, Bull Terrier Club of America
Bud Hidlay, to represent Kennesaw Kennel Club
Celia Hoffman, to represent Plainfield Kennel Club
Sheila H. Kenyon, to represent Old English Sheepdog Club of America
Linda Krukar, to represent Doberman Pinscher Club of America
Dr. Kenneth H. Levison, to represent Tucson Kennel Club
Kathleen Ronald, to represent Battle Creek Kennel Club
William (David) Sullivan, to represent Briard Club of America
Robert Thomas to represent Hatboro Dog Club

The minutes of the December 11, 2015 Delegates meeting, which were published in the January 2016 AKC Gazette were adopted.

Ron Menaker gave his Chairman's report as follows:

Mr. Menaker: Good morning. 2016 is already showing itself to be a year of opportunity and promise, as evidenced by a wonderful new program about our sport that you may not know about. For those of you who are not aware, a channel called AT&T U-verse Sports created a 23-minute show that went behind the scenes at the 2015 AKC Eukanuba National Championship, and the results are nothing less than stellar.

Through the U-Verse Sports television series, AT&T and DirecTV takes an inside look into a variety of sporting events and seeks to educate viewers about what is happening and what it takes to achieve success. We were thrilled that the producers perceived our National Championship as a promising subject for their series, because, although we know it well, the sport of dogs is not widely understood. Today's concept of popular sports does not typically include purebred dogs in its canon; yet our tradition of competition and sportsmanship persists all over the country and almost every weekend. The producers of this series shared our belief that showing dogs is a sport and a pastime that so many people truly can relate to once they take a look inside.

As we have seen, the media can be friend or foe, so when this project began we took a strategic approach. Our team at AKC carefully vetted the production crew, referred the producers to dedicated exhibitors and communicated our goals to ensure that the project stayed true to our message. Through numerous on-camera interviews with AKC staff and many of our show participants across several of our events, U-Verse presented a refreshingly accurate explanation of what our sport is all about. Conformation, agility, junior showmanship, and AKC Meet the Breeds were all included, which allowed the diversity of our sport to shine through. Every one of our speakers and representatives communicated the "how" of dog shows with the elegance of an expert and, even better, they communicated the "why" with humanity and heart. We told viewers about the mechanics and rules of our competitions in terms they could easily

understand and we drove home the most important detail - we show our dogs purely because we love them. They are our athletes, our friends, our pets, our family members. The documentary began its 90-day run of 80 airings on February 22nd and aired in 15 million households. It will also appear on Fido TV from April 1st through June 1st at least ten times per week, running at various time slots, including during the day and evening prime time. I would encourage everyone to watch it and share it by using U-Verse.com. You will also find a link to the channel on akc.org. I am sure you will agree the positive depiction of our sport and its people is something to be celebrated and is well deserved. The volumes of supportive feedback we have received so far, share a common theme: it is thrilling and gratifying to see our sport portrayed honestly as a pursuit for people of all backgrounds that is challenging, fun, and always in the best interest of the dogs.

Totally unscripted, natural and original, the documentary presented our breeders, handlers and fanciers as the ultimate responsible dog owners. We couldn't have asked for a better advertisement for our sport if we needed one. For anyone who might question what we do, we now have a terrific addition to our public education toolkit and, best of all our purebred dogs have the starring role. Thank you very much.

Mr. Sprung gave the President's report as follows:

At December's Delegate meeting, we broke a record with 7 standing ovations when I presented the new Visionary Awards. I promise you, we will have another way to honor Delegates at the June meeting, but now back to today's business.

Last month, I provided the Board with an extensive document covering 34 categories addressing 2015 accomplishments. I will share some top-level ones with you now and also provide you with a copy of this report after the meeting. We grew multiple areas as you see on the screens. Appreciation for these accomplishments belongs to my staff at each and every level, and fellow officers Jim Crowley and Joe Baffuto. Their talent, positive attitude and knowledge of our business is to be celebrated. Naturally, our success could not be achieved without the informed advice of you, our Delegates, our Delegate Committees and the Board. To continue our good works for the well-being of dogs and our organization, funding is essential and a part of our business I dedicate the majority of my time to. Today, AKC's total assets are the highest ever. When I became President, AKC's assets were \$71.3 million. I am proud to be the leader of the team that has doubled our assets to \$142 million.

In 2015, we achieved \$8.8 million in operating profit (which exceeded last year's profit of \$5.7 million by over \$3 million) allowing AKC to continue its very strong financial footing, positioning us to take more actions for the health of dogs and the betterment of our constituents. The excellent bottom line is a testament to our entire organization. There will be more to come from Joe next in his financial report. In the words of our KPMG account partner: "a terrific year and great compared to last year."

This was the first year since 1996 wherein both the total of individual registered dogs and of litters exceeded the prior year's total. We had more than 494,000 individual dogs, an increase of 3 percent. There was a 1 percent growth in litters with more than 211,000. Overall revenue from registration related fees, products and services surpassed the budget with more than \$2 million in additional revenue. Great work by Mark Dunn and Linda Duncklee for the department's leadership, with positives in each category which I predict will continue due to their having already laid the necessary groundwork.

Clubs possess the foundation to flourish. You are the perfect example of dedicated volunteers with experience, devotion and passion. We continued to strengthen your core, reduced bureaucracy and increased IT support.

Here I need your assistance: hand in hand with helping clubs is the necessity to ensure that both long-term and new exhibitors always receive a positive experience from club officials, superintendents and judges. Together we can do that.

Effective in October, I was delighted to promote Mari-Beth O'Neill and Keith Frazier to the position of Vice President.

As a result of surrendering one-half floor in North Carolina, 46 employees in our Registration and Customer Development Departments began to work remotely. This major enhancement to our business model resulted in increased productivity, a guarantee of long-term employees at a time when we were considering a possible consolidation, and it removed significant costs for recruiting and training. We also realized a \$1.9 million savings in the balance of our lease. Keith was instrumental in this endeavor. Following ample due diligence, the Board announced that we will maintain our operational facilities in the Research Triangle area of North Carolina and the headquarters will reside in the Metropolitan New York area.

Our dedication to health, and ensuring that for all dogs, is a priority in our day-to-day business. It is our goal to be the champion of education and best healthy breeding practices for everyone. In order to do so, we created a new microsite and improved upon our Vet outreach programs and PR positioning. The importance of health in both the Breeder of Merit and Bred with H.E.A.R.T. programs remains ongoing. The first reproductive seminar was held at the AENC and we joined the International Partnership for Dogs. The Theriogenology Foundation grants were expanded to four universities: Ohio State University; Auburn University; North Carolina State, and University of Pennsylvania. Health surveys are now required for FSS breeds. We hired a Chief Veterinary Officer. AKC CHF was given a \$500,000 matching grant plus in-kind donations, which includes rent.

AENC total conformation entries of 4,825 were up 525. This was the largest AKC dog show in 20 years, with entries from 50 states and 27 countries. Juniors increased, class entries were up over 300, and there were 998 bred by exhibitor entries. Meet the Breeds in Orlando included volunteers from 157 parent clubs. In New York City, we welcomed 144 parent clubs, plus there were 122 elected officials serving as honorary chairs. Media impressions were over 684 million, due to Brandi Hunter's team. The success of the Meet the Breeds initiatives could not be achieved without the expertise of our Parent Club volunteers. Both the AENC and Meet the Breeds triumphed because of Gina DiNardo, who I depend on daily, and Michael Canalizo, for their knowledge and work ethic.

The infrastructure established by our web content team is reaching almost 5 million unique website visitors a month plus an additional 150 million impressions on Facebook monthly. This has positioned every department to leverage these platforms for communication and education, as we now have the infrastructure to monetize our site. For example, digital advertising grew by over \$650,000. Our content team created a video called "Super Collie" that was viewed more than 25 million times. AKC's Facebook page has added 1 million fans. And on December 29th a record was set, and dog people just love records; AKC.org welcomed more than 227,000 unique visitors on a single day.

Many improvements have been delivered to the website and Marketplace in response to Delegate feedback and presented to you at the last meeting. These efforts are continuing.

Thank you to Mike Basone, Stephen Smith, Steve Pessah and the Delegates.

Cheers to Daphna Straus for sponsorships and ending with our strongest licensing quarter.

Bred with H.E.A.R.T. was launched to advance the health and welfare of all dogs and to engage breeders who meet specific health testing standards and participate in continuing education. We launched the Breeder Education courses. 826 initial breeders were enrolled. Thank you to Mark. Breeder of Merit finished the year with an increase of over 800. More than 6,000 litters completed 100 percent registration. Estimated dogs registered were 22,152. Thank you Mari-Beth.

There were hundreds of actions to grow education within each of our sports, in juniors, for responsible dog ownership and responsible breeding. The Kids' Corner Microsite infrastructure was created to include articles, quizzes, educational videos and multiple lesson plans.

In the Events area, with Doug Ljungren guiding the department, entries exceeded the 3 million

mark for the sixth consecutive year. We ended the year at 3,115,888 with 35 more events than the previous year. However, we experienced an aggregate drop of 2.5 percent, primarily in Agility and All-Breed, an issue to be addressed.

Performance enhanced many sports and the Field staff attended 25 National Championships. In Conformation, our executive field reps attended 90 percent of the All-Breed events throughout the country (total 1,600 shows in 2015.) Superior work done by Patti Proctor and her staff. Application and panel processing has resulted in the lowest turnaround time in two years. Local specialties may now hold more shows. And continuing to reduce bureaucracy for our clubs, event applications now allow a multi-year submittal for up to ten years. The approval for sweepstakes is now a simple check-off and we no longer require signatures from each club on Common Site Applications.

The New Judging Approval Procedure was adopted and a tracking report created for benchmarking. Tim Thomas' extensive knowledge was evident. Additional breed applications increased from 197 to 484. Cutting more bureaucracy, we eliminated the box for withholding of winners and reserve in the judge's book and made the Grand Championship points the default. In Companion, there were 75 enhancements to the obedience regulations. We created the first ever Obedience/Rally Trial Manual. The Obedience Classic entries increased by 8.4 percent. We approved the Agility Grand Championship. And at the National Agility Championship we had 1,016 handler/dog teams, a growth of 100.

Public relations did amazingly under the expert direction of Brandi Hunter. Total audience reach exceeded 24 billion. Total publicity value was assessed independently at over \$152 million. That is a 77 percent increase over 2014. We appeared on Fox and Friends, Good Morning America, WJLA, Good Day New York, Fox Business Network, plus 450 additional placements.

Responsible Dog Ownership Days were celebrated by 610 clubs. You will get the complete report when you leave the meeting.

On another note, we know of many good people in our family. I am honored to share an e-mail I was sent from the District Attorney's office on Tuesday during the Westminster Kennel Club show about the heroic actions of fellow fancier, Pam Bruce. "Dear Detective Constable Bruce, On behalf of the New York County District Attorney's Office, I wish to extend my great appreciation for your reaction to hearing a woman experiencing a violent assault in an adjacent hotel room. With your permission, I would like to convey your involvement in securing the arrest of an individual who caused violent harm. This was certainly not the trip you envisioned occurring here in New York City, but please know that your assistance and action saved this woman." We are proud to have people like Pam as a member of the dog community and we thank her for being a positive role model in the sport. We are going to send Pam this medal with our appreciation.

Now I'm pleased to introduce some of the newest members of staff: Jay Waks, Senior Executive Vice President and General Counsel; Alexandra Aleskovsky, Executive Vice President, Chief Growth Officer; Aiden Colie, Senior Vice President of Technology; Liz Sorota, Vice President of Marketing; Brandi Hunter, Director of Public Relations and Communications.

Chief Financial Officer, Joseph Baffuto, gave his report as follows:

Mr. Baffuto: Good morning everyone. Thanks for all joining us today. Specifically I myself am very grateful and excited for the occasion to provide you with the financial performance report of our 2015 fiscal year. The highlights of the 2015 audited AKC consolidated financial statements are available for your review and understanding on the Delegates Portal. In order to be clear to our entire audience, as a required treatment of generally accepted accounting principles, most commonly referred to as GAAP, the audited financials consolidate all the activities of the American Kennel Club, along with AKC Reunite, the AKC Humane Fund, and the AKC Political Action Committee. The 2015 audited financials reflect an increase in unrestricted net assets before non-operating items of \$8.7 million. I will just briefly mention how this amount was

derived from each entity. First, AKC's operating surplus was slightly below \$9 million, at \$8.8 million for 2015. Next, AKC Reunite's total operating surplus was approximately \$100,000. This operating profit also includes total costs of \$1.4 million paid back to AKC for various services and program support throughout the year. The AKC Humane Fund had a loss from operations of almost \$200,000. Finally, the AKC PAC operated nearly break-even with \$20,000 in contributions throughout the year. Let's next intentionally focus on the 2015 results of AKC rather than the consolidation and affiliate results. In Orlando at our December meeting, I informed you that our total core registration revenues at the time were up 1 percent for the year. I'm proud to say that we ended 2015 up by 2 percent to that of 2014. In 2015 we registered approximately 211,000 litters, 494,000 dogs and 228,000 pedigrees, in comparison to 210,000 litters, 481,000 dogs and 223,000 pedigrees in 2014. The simultaneous increases in each of these categories marks the first time since 1996 to 1997 that we have experienced such a favorable year over year performance. This has been an overall organizational endeavor and we should all be pleased with the efforts displayed to change our course in registrations this year. Cautiously, however, we cannot rest on the laurels of this outstanding year. We are taking our outstanding success of 2015 and commandeering additional investment and growth opportunities for the AKC in areas outside of our core activities. We hope to report more great accomplishments ahead in 2016. Our next largest area is that of events. Events nearly held its own ground in 2015 as there were near equivalent number of approximately 19,000 events held throughout the year. These events garnered just over 3.1 million entries along with more than \$11.3 million in related revenue. The entries and associated revenue were marginally under the prior year of 2014. There were an assorted number of smaller AKC programs that produced solid revenue increases in 2015. In particular, our electronic advertising campaigns increased by \$650,000. Our interest and dividend income compounded by \$467,000. Our royalty and sponsorship income improved by \$251,000. And our Good Dog Helpline product added an additional \$84,000 to our top line. Comparatively, reviewing AKC's total revenue and total expenses, we can see the increase of nearly \$2.5 million in revenue on the left. The blue box represents approximately \$62.2 million for the 2015 year. AKC's total expenses pictured on the right of the diagram denotes \$53.4 million in blue for 2015, which is essentially flat to its 2014 comparative. Year over year, '15 versus '14, we have increased our revenues and held our costs. Speaking of costs, the AKC's Bylaws require that the total amount of Board of Directors related expenses be reported annually to the Delegate body. Meeting that requirement here in 2015, the total amount was \$299,911. Next, I would like to remark on our investment results for 2015. Unfortunately, in an extremely volatile market for the 2015 year did not produce positive results for our investment portfolio. These long-term investments generated an unrealized loss of \$3.8 million, or a negative 2.3 percent return. As we can see here, the AKC performance landed in the middle of most major financial market indicators, including the Dow Jones, the S&P 500 and the Russell 2000. Moving from our AKC operating statement, I would next like to focus the summary on our consolidated balance sheet. Total assets increased at the end of 2015 by \$3.2 million, to 142.4. This is mainly resulting from positive cash flows generated from our operating activities. You will see highlighted here our investments increased to just over \$120 million and that is despite the downward performance in the market as I had just described earlier. Total liabilities decreased by \$3.6 million at the year-ended December 31. The favorable decrease is most attributable to the decrease in our post-retirement medical obligations. These amounts are annually calculated by an independent actuary based upon a number of assumptions as they apply to our retirement benefit plans. Finally, on the consolidated balance sheet we will note our unrestricted net asset balance of \$72.2 million at year-end December 31. This is a 10 percent year-over-year increase and speaks volumes to the financial strength of the American Kennel Club and its affiliates. Although we are not unlike numerous other companies in that we do still reflect a significant combined underfunded status in our post-retirement and pension plans, we have a Board designated reserve for long-term purposes of almost \$85

million. This will allow AKC to expand to new business opportunities, enhance our core activities and registrations and events, while continuing to meet a variety of challenges presented to our organization. Thank you very much for the opportunity and your attention this morning. I will be available here if any Delegate would like to discuss these financials further. Safe travel home.

The Chair called on the Chair of the Tellers Committee, Kim Johnson of KPMG, who read the results of the balloting for the Class of 2020, as follows:

Ms. Johnson: The total number of ballots cast were 366. There are no invalid ballots, therefore, the majority to elect was 184. The results of the ballots were as follows: Linda Ayers-Turner-Knorr, 57; Gretchen Bernardi, 135; Rita J. Biddle, 110; Patricia M. Cruz, 202; William J. Feeney, 207; Karolynne McAteer, 189; and Thomas S. Powers, 86.

The Chair declared that Patricia M. Cruz, William J. Feeney, and Karolynne McAteer have been duly elected as members of the Class of 2020.

There was a vote on a proposed amendment to ARTICLE VI, SECTION 5, of the *Charter and Bylaws of the American Kennel Club*. The amendment would allow a Delegate Judge to charge a fee of no more than \$150. This amendment was proposed by the Delegate Bylaws Committee and brought forward with a recommendation from the Board. It was published in two issues of the online Gazette and the worksheet was emailed to the Delegates. The Board recommended its approval.

The Chair recognized Gretchen Bernardi, Delegate for the Mississippi Valley Kennel Club, who spoke as follows:

I'm speaking as Chairman of the Bylaws Committee. With some input from several people and our guests at the meeting yesterday, it became apparent that we need to be more specific on the amount you can charge per day or per event. Because we have so many events now in one day, a person could charge \$150 for each event in that day, which could ring up pretty quickly. So we would like to amend this to say a fee of no more than \$150 per diem or per day.

Mr. Sprung: Is there a second?

Unidentified Delegate: Second.

Mr. Sprung: Is there discussion?
(Hearing none)

This will be a majority vote.

All those in favor of this amendment to add the words "per day," please raise your hand. Thank you.

Those opposed? Thank you.

The majority has it. We have amended the motion.

Is there any discussion?

The question now is on the proposed amendment as amended.

Those in favor, please stand. Thank you.

Those opposed, please stand. Thank you.

We are going to have to count votes. Please sit down. We want this to be accurate, so please be patient.

Unidentified Delegate: I believe that the amendment was made but there was no time given for comment or for discussion.

Mr. Sprung: There was a vote to the amendment that was made by the Bylaws Committee. I asked if there was any discussion, then we went to a vote on the motion.

What we are going to do is vote on the amended amendment. All those in favor, please stand. Paula will count.

(Counted vote taken)

Mr. Sprung: Now all of those opposed, please stand. It is close, so Paula will count.

(Counted vote taken)

The Chair declared that there were 189 in favor and 155 opposed. As there were not two-thirds in the affirmative, the amendment was not adopted.

There was a vote on the proposed amendment to Chapter 9, Section 12 of the *Beagle Field Trial Rules*. This addition would allow for the creation of a National Championship event for the Beagle Two-Couple Pack sport. The amendment was proposed by AKC staff and brought forward with a recommendation from the AKC Board. It was published in two issues of the AKC Gazette and it was sent to all Delegates. The amendment was adopted.

The Chair called on Carl Ashby, AKC Vice-Chairman, who spoke about the AKC PAC challenge as follows:

Mr. Ashby: Good morning. I want to take a few minutes to pick up where we left off at the last meeting where I had the opportunity to share with you how we were going to do our PAC challenge for this year. I don't want to lecture this group as I know you all know the importance of our PAC and the importance of our legislative outreach that occurs through our great Government Relations Department led by Sheila Goffe. But let me introduce you to just a couple of things quickly and then we will move on to how we are going to handle this year's challenge. You all have seen this chart before although we have updated it. It talks to some of the things that we face together, things that we talk about every time we get together and things that we work on every minute of every hour of every day, whether in this meeting or back at home. This year has been an extremely aggressive year. We are tracking 1,400 bills in 2016. In fact, with all the different bills that have been out there, GR has been working literally overtime to stay in front of them. Just to be clear, when they go into these areas especially with these especially egregious bills, we do have feet on the street. We often do hire lobbyists in those situations in addition to supporting the federations and mobilizing you at the local level. Unfortunately we are always behind the eight ball. \$66 million, give or take, HSUS invests in various types of efforts to influence public opinion and that's just HSUS. Other groups add to that total. AKC invests about \$1 million of AKC revenue coupled with our PAC money, which is very, very small by comparison, and put that to work.

The AKC PAC is the only way we have to influence legislation. It is not about the money that we give them but rather the access it provides. The PAC donation gives you and me the opportunity to present the check and thus the opportunity to share what your views are and to work against those who have opposing views. The AKC PAC is the only way we can do that, because as you all know, we the AKC is unable as a non-profit organization to contribute directly to a candidate. We believe we have been good stewards of you money to the PAC. We took a look back over five years. Now, the red numbers show the PAC challenge years. The black is in between, non-election years, the odd years. You can see that in 2012 we really raised the most money. It was the first year that we had the challenge. We had some clubs come forward and do internal

things and they really boosted our number of donors, about 1,600 as a matter of fact, but it also drove down our average gift. But the real key there in my opinion, is it was the best year because it had broad-based participation in support of our political activities. We want to get back to a large base, not so much because of the money they give, but to get them engaged in the process.

In 2015 we finished the year strong after a bit of a weak start. 292 people participated. It is hard to believe when you have almost 5,000 clubs who maybe average 20 members apiece that only 292 are investing in our right to own dogs. If you want to take a look at that another way, this blue line shows you the minuscule number of donors. Those orange lines show you the amount of money that those donors donated. Are you a taker and not a giver? That's the question. We have a very small group of people who are stepping up to protect our rights. We need more. We need you, as they say, and we need all those like you.

In terms of candidate donations, it is not like you are putting money down a rat hole. The fact of the matter is we have high success given the small amount of money that we are able to allocate. That says to me that if we get in front of the decision makers we have a good story and we can have a large influence. Just remember also we allocate donations to the people that you all recommend.

So what are we doing in 2016? We have a two-part challenge this year. We have a leadership challenge. You are the leaders. We are asking you to step up yourself and make your own donation to the PAC. We are looking for recurring donations. \$5 a month would be great, but let us get that every month so we have a good, steady stream of income to our PAC so that we will have the money when we need to support you.

We are challenging all the Delegates that are in this room and the ones that aren't with us today to actually get involved and make a personal commitment to our PAC. When you came in, many of you were handed a form to allow you to do just that. I hope that you will turn it in to Sheila on the way out, but certainly go to our website when you get home.

Let's now consider the 2016 Club Presidents Challenge. Soon after this meeting we will be contacting, as we have in the past, all of the clubs. We will be asking for their participation. And for those 625 who are members, we are going to be counting on you to reach out to them and make sure your club is participating. We will provide a lot of materials as we always do, but we need your support to make this be the most effective challenge ever.

We have set a goal of \$100,000. It may be Pollyanna-like, but we really believe with this recurring gift thrust, with the support of you taking an active role in this, that we have a really great opportunity to raise that kind of money.

We sincerely hope that you will take this seriously and that you will go back and really try to make something happen with this. Just \$25 from every member of every club could make a substantial difference in what we all are about.

So what's next? Letters will go out, as I said, so you'll have the opportunity to see that. You will be copied on everything, so you will be able to know exactly what's going on. You will know what the timelines are and so forth. We will let you know whether or not your Club has participated.

We are asking that you personally talk with the president of the club you represent, get them engaged, and try to make sure that it becomes a priority for their club at their next meeting once the materials are out. Personally, if you can, encourage all the members in that club to donate. You know we are restricted as to who can give us donations, so it is extremely important that you become part of that process, and, again, at least turn it in before you leave.

I would now like to share a brief video with you all.
(Video played).

Mr. Ashby: We are currently working on a version of this video which can be shared with all our Clubs...please watch for an announcement when it will be available.

Thank you!

The Chair informed the Delegates that the Monday, June 13, Delegates meeting will be held at the Doubletree Newark Airport Hotel, and that in the next few weeks, the Conference and Travel Department will place information on the Delegates Portal when AKC's block of rooms becomes available.

The Chair reminded the Board that immediately following the meeting they were to reconvene in the Salem/Warren room.

The following discussion took place during New Business:

Patricia Laurans, Delegate for the German Wirehaired Pointer Club of America, spoke about the Pet Disaster Relief Trailers. She thanked the 319 clubs that have participated and indicated that \$936,743. was raised. AKC Reunite pledged \$250,000. 43 trailers have been delivered, 13 trailers are being finished to be delivered, and there are 13 trailers that clubs are currently working on.

Larry Wilson, Delegate for the Philadelphia Dog Training Club, spoke on behalf of the Companion Events Committee, thanking the Westminster Kennel Club for making both Agility and Obedience part of their show. He singled out Paul Campanella, Director of Companion Events for Westminster, David Haddock, Obedience Chairman, and Westminster's Delegate and Agility Chairman, Harvey Wooding for putting both the Third Annual Masters Agility Trial and the Masters Obedience Trial on their event. A letter reflecting this thank you has been sent to the President of Westminster mirroring this thank you.

Sherry Wallis, Delegate for the Akita Club of America, reminded everybody that the coordinator for the June issue of *Perspectives* will be Monica Stoner. Her e-mail and name are in the current issue of *Perspectives* and that if Delegates would like to submit something for publication, they should send articles to Ms. Stoner or herself.

Glenda Stephenson, Delegate for Space Coast Kennel Club of Palm Bay, suggested that instead of the asterisk currently in the Judges Directory used to indicate Delegate Judges that following the Judge's name, a comma and the word Delegate appear in the Directory.

Harvey Goldberg, Delegate for the Somerset Hills Kennel Club, expressed concern about AKC's chance of success in opening a pet care facility in Manhattan. Since it is a fait accompli, he hoped that after this lease is up it would be discontinued and that this initiative is not taken any further than this one store.

In response, Mr. Sprung spoke as follows:

For some clarification, it is a pet care facility. It is an amenity within a residential complex. All risks were actually vetted. There was almost two years of due diligence before our lease was signed. Obviously, your questions make perfect sense. There will be an experienced management team for this type of retail setting. But who knows dogs better than us? Who knows care and conditions better than the people in this room and the people of the AKC? We want to do more to be relevant to the general dog-loving public. We see this as a natural extension of what we do. It is the next step. We see it as a positive move. It builds brand equity and we see it as a growth opportunity. Nevertheless, your comments are appreciated.

The Chair recognized Johnny Shoemaker, Delegate for Redwood Empire Kennel Club, who encouraged clubs to apply for and to hold Peewee events.

The Chair recognized J. Charles Garvin, Delegate for the Dalmatian Club of America, who praised Dr. Duane Butherus, for his hard work and determination. Dr. Butherus has just completed his three-year term as AKC CHF Chairman.

Don James, Delegate for the Leonberger Club of America, called for more vetting of the breeders that are allowed to advertise on Marketplace.

Cathleen Rubens, Delegate for Fayetteville Kennel Club, praised Marketplace, which has increased her per month contacts from 15 to 65.

Barbara Gates, Delegate for the English Springer Spaniel Club of Michigan, encouraged club members to donate the amount of their last entry fee to the AKC PAC.

Ann Wallin, Delegate with the Atlanta Kennel Club, spoke as Chairperson of the All-Breed Clubs Committee about its last event survey. The Committee received over 488 responses and over 180 pages of content. After going through that and condensing the results and the best practices it will be prepared and posted on the AKC website where our membership best practices and survey results now exist under Clubs.

Hearing no further business, the Chair adjourned the meeting.
(Adjourned at 10:52 a.m.)

The opinions expressed by the speakers may not necessarily reflect those of The American Kennel Club.